

Date of Adoption, February 25, 1930.

PROPERTY OF
NEW JERSEY STATE LIBRARY
NEW JERSEY STATE LIBRARY
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185 W. State Street
Trenton, N. J.

To the Governor and the Legislature of the State of New Jersey:

Pursuant to the provisions of J. R. 8 of the 1929 Session of the Legislature, the State Board of Taxes and Assessment submits the following tabulation obtained from its survey of the tax exempt property of universities and colleges, and the property of the State of New Jersey and its various counties:

County	Property of Universities and Colleges	County Property	State Property
Atlantic	-----	\$ 702,666	\$ 2,900
Bergen	-----	1,883,370	661,825
Burlington	-----	581,000	214,000
Camden	-----	1,950,120	250
Cape May	-----	225,730	15,000
Cumberland	-----	108,000	1,124,000
Essex	\$ 273,100	25,896,400	5,064,000
Gloucester.	-----	526,000	220,000
Hudson	1,572,800	16,529,650	3,247,300
Hunterdon	-----	240,000	1,741,654
Mercer	10,741,950	1,086,450	15,009,790
Middlesex	5,732,575	1,374,550	1,302,100
Monmouth	-----	309,150	66,700
Morris	-----	260,000	4,280,300
Ocean	287,000	90,000	17,200
Passaic	-----	8,000	292,000
Salem	-----	140,000	35,000
Somerset	-----	389,000	368,930
Sussex	-----	59,600	-----
Union	-----	2,156,321	499,900
Warren	-----	168,000	206,500
	\$18,607,425	\$54,684,007	\$34,369,349

TOTAL \$107,660,781

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 State Board of Taxes and Assessments.
 Report ... from Survey of Tax Exempt Property of Universities and Colleges, 1930

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This survey was made by checking and listing all exempt property of these classes contained in the tax lists on file in the offices of the County Boards of Taxation. It was impossible for the Board to make a personal survey as no appropriation was made by the Legislature to carry out the provisions of the Resolution and for the reason that our present office force is inadequate to permit the placing of a man on such duty for the length of time required to make such a survey.

In compiling the amounts of the above property we find discrepancies in the valuations shown on the tax lists and those certified to the Board by the County Boards of Taxation and shown on the abstracts of ratables. The Board is of the opinion that assessors of the various municipalities are lax in the listing of exempt real estate, and that in some instances no change is made in valuations of such property from year to year. Exempt personalty also is not listed at its true value, and in some taxing districts no record is made as to the value of such property. In view of these circumstances, we feel that the above valuations represent a very conservative estimate of the amount of such property in the State of New Jersey.

In addition to the survey given above, the Resolution makes it the duty of the Board "to report in what manner such municipalities may be compensated, in lieu of taxes, for governmental benefits so extended as aforesaid, or for loss of taxes by reason of publicly owned tax exempt property the ownership and use of which, by the State or any county of the State is of service to other municipalities in addition to that in which it is located."

With possibly a very few exceptions, County property is of service to all the municipalities of the County in which it is located. Generally speaking, it may also be said that property of the State, regardless of its location, is for the service of municipalities and people of the State. It would seem therefore that any legislation recommended by the Board must necessarily be general

in its effect, applying to practically all of the districts in which county and State property is located.

The present Tax Act (General Tax Act Revision of 1918, Section 203, subdivision 6) exempts from taxation property of " * * * the State of New Jersey; property of the respective counties, school districts and taxing districts, when located therein and used for public purposes."

It will be noted that the statute restricts the exemption of property of counties, school districts and taxing districts to property located within the district or the county owning it, and that under this limitation the property of one county located in another would not be exempt, even if such property were used for public purposes. In construing this provision of the General Tax Act, however, the Court of Errors and Appeals has held that a statute which attempted thus to classify property (by reason of its location), although all of such property was subjected to public use, was not a general law and for this reason was in contravention of the Constitution. Jersey City vs. Blum, 127 Atl. Rep. 214. Under the decision of the Court in this case, county property is exempt from taxation when used for public purposes, whether or not it is located in the county owning it.

Whether or not the test of constitutionality could be met by legislation directing the State and the counties to reimburse municipalities for loss of taxes on such property is not within the province of this Board to decide. In view of the difficulty, however, of drafting such legislation along constitutional lines and imposing penalties for its enforcement, the Board has decided to confine itself to the survey above given. No legislation is recommended.

Respectfully submitted,

CHAS. E. COOK.....
Secretary.

F.D. WEAVER..... President.
M. R. MARGERUM.....
J. WM. HUEGEL.....
GEORGE COMPTON.....
D. H. AGANS.....
State Board of Taxes and Assessment.